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## **State, Local Agencies Come Together to Dedicate State-of-the-Art Lodi Energy Center**

***Natural Gas-Fired Power Plant is the Cleanest of its Kind***

(Lodi, Calif.) – State and local elected officials today joined with the Northern California Power Agency (NCPA) in celebrating the completion of the 300-megawatt Lodi Energy Center (LEC), the cleanest and most efficient combined-cycle natural gas-fueled power plant in the State of California, if not the nation.

As the owner and operator of the LEC, NCPA partnered with 13 public power utilities and other agencies to construct the \$388 million project in Lodi during the past two years. When it comes online next month, the facility will serve millions of Californians by providing electricity to several participating municipal utility communities, BART and the California Department of Water Resources.

“LEC is the future of clean, reliable energy, not just for the individual communities and agencies represented here today, but for the entire state of California,” said NCPA General Manager James H. Pope during today’s dedication ceremony. “This facility will come online quickly, burn less fuel and produce fewer emissions.”

Nine of NCPA’s 16 members, along with four other public entities, are sharing in LEC’s investment and benefits. The City of Santa Clara’s Silicon Valley Power is a major participant in the LEC with a 25 percent share of the project. The San Francisco Bay Area Rapid Transit District (BART) will use its portion of LEC’s output to help power its transit system trains, Pope said. The Modesto Irrigation District and the municipal utilities

serving Lodi, Gridley, Ukiah, Healdsburg, Biggs, Lompoc, and Azusa will receive LEC energy, along with the Plumas-Sierra Rural Electric Cooperative, and the Power and Water Resources Pooling Authority.

What makes the LEC unlike any natural gas-fueled generation facility in operation today is the “fast-start” turbine at the heart of the plant, Pope said. This state-of-the-art Flex-Plant™ 30 combined cycle technology, designed and built by Siemens, A.G., provides a number of economic and environmental advantages over traditional natural gas-fueled plants.

Since most conventional plant emissions occur during start-up, the LEC’s ability to significantly reduce the amount of time needed, up to 50 percent less than other units, to bring the facility up to full generating capacity increases overall efficiency and dramatically reduces emissions, Pope said. Overall, greenhouse gas emissions are being cut by 30 percent, compared to traditional combined-cycle plants.

Another important advantage of the LEC’s cutting-edge technology is its ability to rapidly ramp production up and down to match market conditions. LEC participants will be able to quickly respond to changing consumer power demand, reducing overall costs to the consumer.

The operating flexibility of the new LEC also will facilitate greater use of renewable sources of electricity, such as wind and solar resources, which have been more difficult to integrate into California’s energy resources because of their weather-dependent nature. This flexibility will allow the LEC to serve as a reliable back-up when changing weather conditions reduce electrical output.

“This innovative fast-ramping, gas-fired plant was specifically designed by Siemens as a solution to balance fluctuations on diverse power grids managing both renewable and traditional energy sources,” said Mario Azar, President of Energy Solutions Americas for Siemens. “Its clean footprint and versatility makes it an ideal solution to the growing need for stable and environmentally friendly power sources in the U.S. and around the globe. We are proud to be introducing this groundbreaking technology in partnership with NCPA.”

“The Lodi Energy Center will provide grid reliability to the Central Valley, while integrating renewable resources,” said Energy Commission Chair Robert B. Weisenmiller. “This is the future for fast-start gas-fired combined cycle power plants in the country.”

Santa Clara City Councilman Pat Kolstad agreed. “California has set very ambitious carbon reduction and renewable energy goals,” said Kolstad, referring to the landmark 2006 climate change act, and 2011’s 33 percent renewable portfolio standard

requirement. “Our participation in LEC will help ensure that my community will continue to lead the way toward a cleaner, greener energy future for California.”

Steve Berberich, president and chief executive officer of the California Independent System Operator, also praised the LEC for the contribution it will make toward maintaining grid reliability as intermittent energy resources continue to make up a larger percentage of the state’s energy portfolio.

“The Lodi Energy Center’s cutting edge technology will help strengthen electrical system reliability as variable renewable resources continue to be deployed,” Berberich said.

During the more than two years it was under construction, the LEC created hundreds of high-paying jobs for Central Valley workers. At its peak, more than 300 skilled laborers, tradesmen and managers worked full time at the LEC site, located just west of Interstate 5 in southwest Lodi.

At any time during construction, a minimum of 80 percent of LEC workers resided within 50 miles of the Lodi area, ensuring that the local area economy directly benefited from the project’s construction. The focus on local employment was a key part of the appeal of the LEC project, both for NCPA and for the City of Lodi.

“NCPA’s emphasis on hiring local workers to build the LEC has produced tremendous benefits for the Lodi-area economy, both in terms of creating a significant number of high-quality local jobs and providing a reliable and affordable source of electricity for the state,” said Assembly member Alyson Huber, whose district includes the Lodi area.

Beyond the creation of jobs and the multiplier effect those jobs have on the local economy, the LEC will continue to provide economic benefits to Lodi as well.

Since LEC will only use reclaimed water in its steam generating and power plant cooling systems, NCPA has partnered with Lodi to purchase wastewater from the White Slough Water Pollution Control Facility, turning a water disposal liability into a valuable local economic asset. In addition, sales tax on the generating equipment and a multi-decade lease for city-owned land, on which LEC is sited, will generate substantial additional revenue for Lodi.

“The Lodi Energy Center is providing tremendous benefits that reach far beyond providing an affordable and reliable energy supply for the ratepayers of the City of Lodi,” said Lodi City Councilman and NCPA Commissioner Larry Hansen. “The positive impacts will continue to be felt for years throughout our community and the state.”

The ultimate beneficiaries of the LEC, noted Healdsburg Mayor and NCPA Commission Chairman Gary Plass, are the residents of the communities that will be served by the facility.

“It’s been very gratifying,” he said, “to be associated with a project that will directly benefit my community. For my community as well as others associated with LEC consumers, keeping electricity rates affordable for our residential and business customers, while at the same time maintaining our excellent record of environmental leadership, has always been our goal.”

*Lodi Energy Center Project Participants*

*The City of Azusa, Bay Area Rapid Transit (BART), the City of Biggs, California Department of Water Resources (CDWR), the City of Gridley, the City of Healdsburg, the City of Lodi, the City of Lompoc, Modesto Irrigation District (MID), Plumas-Sierra Rural Electric Cooperative (PSREC), the Power and Water Resources Pooling Agency (PWRPA), Silicon Valley Power (The City of Santa Clara), and the City of Ukiah.*

*About Northern California Power Agency (NCPA)*

*The Northern California Power Agency (NCPA) is a joint-action agency serving public power entities located throughout Northern and Central California, including municipal and cooperatively-owned utilities and special districts. NCPA has built, and currently owns and operates, a portfolio of electricity generation resources that is 95 percent carbon-emission free. Drawing upon NCPA’s diverse mix of resources, our members collectively serve 750,000 California electricity consumers with a 20 percent eligible renewable resource portfolio.*